Affluence Income Trust

Fund Report & Overview | April 2024

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Fund Features

- Attractive Monthly Distributions*
- Highly Diversified Fixed Income Portfolio
- Access to Wholesale Funds

Performance Since Inception

(July 2023)*

8.0% Total returns per annum

7.5% Distributions per annum

Key Statistics

Investment Class	Fixed Income
Minimum Investment	$20,000
Suggested Timeframe	At least 1 year
Target Returns	RBA Cash Rate + 3%
Annual Distributions	7.5 cpu*
Distribution Yield	7.5% p.a.*
Distribution Frequency	Monthly*
Applications	Monthly
Withdrawals	Monthly
Management Fees	Nil*
Performance Fee	10% of positive performance*
Entry/Exit Price	$1.0043/ $1.0023
Buy/Sell Spread	0.10% / 0.10%

Platform Availability

Netwealth Mason Stevens HUB24

Investment Objective

The Fund aims to pay a minimum distribution equal to the RBA Cash Rate plus 3% per annum, paid monthly. The Fund also aims to preserve capital over rolling 3 year periods after payment of distributions.

Investment Strategy

The Fund invests predominantly in a highly diversified fixed income portfolio, with a focus on maximising returns with low volatility. The Fund has a flexible investment mandate. This allows us to take advantage of what we believe to be the best risk adjusted investment opportunities within the fixed income asset class at any given time.

Why Use The Fund?

Portfolio Use

The Fund is designed for use as up to a **Core Component** of an investment portfolio for those investors seeking **Income and Capital Preservation** with a **one year** or longer investment timeframe, a **Low** risk/return profile and needing access to capital **Monthly** or less often.

Diversification within Fixed Income

We aim for the portfolio to be highly diversified within the fixed income asset class by sub-sector, underlying manager, investment strategy, credit risk, liquidity, and investment structure.

Access to Wholesale Funds

A significant number of funds in the portfolio are only available to wholesale and institutional investors.

Key Risks

As with all investments, the Fund is subject to risks. If these risks eventuate, they may result in a reduction in the value of your investment in the Fund and/or a reduction or cessation of distributions.

Distributions are not guaranteed, nor is the return of your capital. Affluence aims, where possible, to actively manage risks. However, some risks are outside our control.

* See notes on the last page for additional information. Distributions are not guaranteed. Past performance is not indicative of future performance.

Fund Performance*

To 30 April 2024	1 Month	3 Months	6 Months	Inception
Distributions	0.6%	1.9%	3.8%	5.7%
Change in Unit Price (Capital Growth)	0.0%	0.0%	0.2%	0.3%
Affluence Income Trust Total Return	**0.6%**	**1.9%**	**4.0%**	**6.0%**
Benchmark - RBA Cash Rate plus 3%	0.6%	1.8%	3.7%	5.6%
Performance against Benchmark	**0.0%**	**0.1%**	**0.3%**	**0.4%**

Fund Monthly Return History*

	J	F	M	A	M	J	J	A	S	O	N	D	Year
2023								0.7%	0.6%	0.6%	0.7%	0.7%	3.4%
2024	0.6%	0.6%	0.7%	0.6%									2.6%

Positive Month Stable Month Negative Month

Fund Commentary*

The Affluence Income Trust increased by 0.6% in April. The Fund paid a distribution to investors of 0.625 cents per unit, above the Fund's target return.

All investments continued to perform as expected and the Fund performed well in April, with returns above our benchmark.

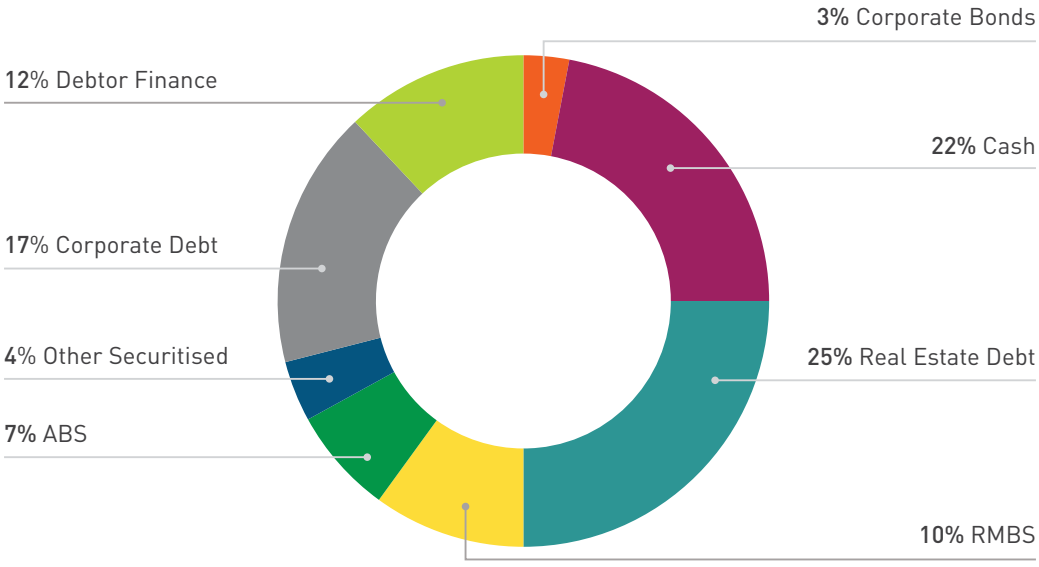
The RBA board met in early May and left the RBA cash rate unchanged at 4.35%.

If you would like to invest with us and get access to a diverse range of fixed income managers, visit the fund page on our website. There, you can get information on the Fund, apply online or download the application pack. If you'd like to add to your existing investment in the Fund, you can either complete the one-page form available on our website or use the online facility.

The cut-off for applications this month is 24th May. Units will be issued effective 1st June.

Portfolio Sector Diversification

Asset Class – Fixed Income



Asset class data is estimated on a look through basis based on the most recent data available for each investment.

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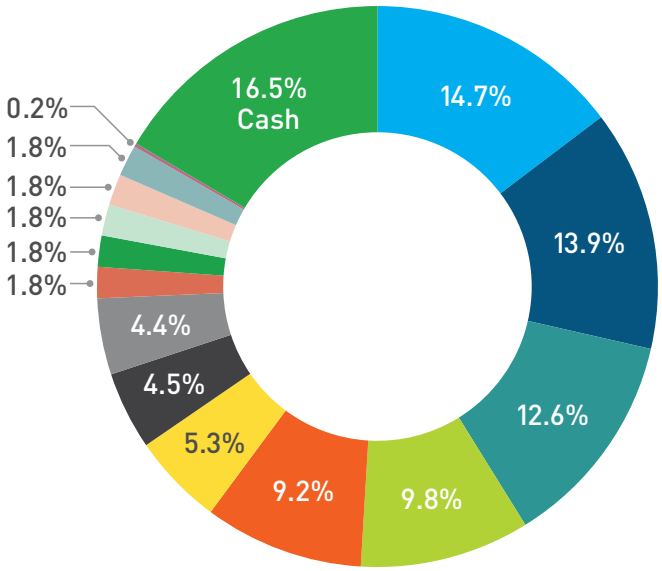
Diversification By Underlying Investment

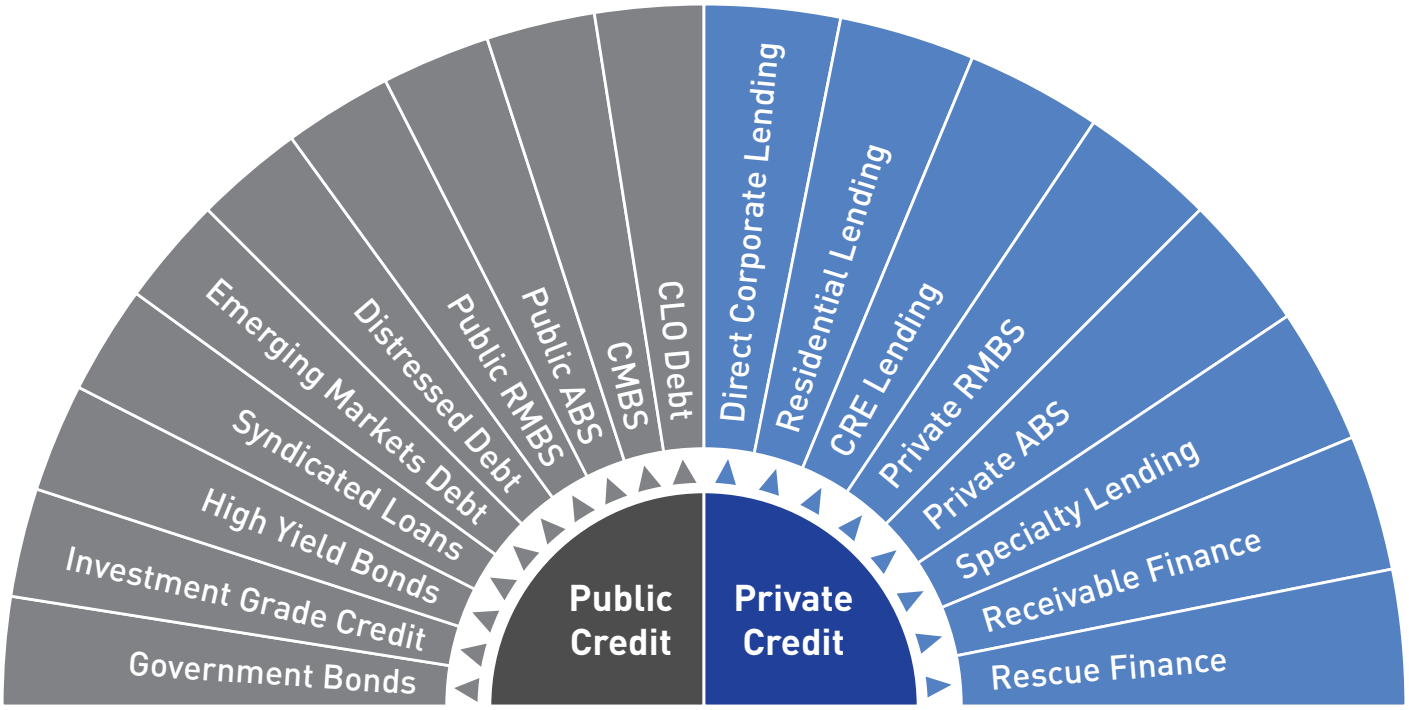
The Affluence Income Trust currently holds 15 underlying investments, plus cash. Each segment represents an individual investment of the Fund.



Wide Investment Mandate

The Affluence Income Trust has a wide investment mandate allowing us to seek the best risk adjusted returns in the fixed income sector at any given time. We believe that over time the most attractive sectors of fixed income will vary, and therefore the portfolio allocation between sub-sectors will need to vary as well. This feature of the fund provides one of the single biggest opportunities to add value through a cycle.

Breadth of Fixed Income Opportunities



For illustrative purposes only

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Is the Fund right for you?

The Affluence Income Trust aims to provide you with an attractive level of monthly income derived from the fixed income sector. The Fund is highly diversified in multiple ways across a range of investments in order to reduce concentration risk in any sub-sector.

We believe that to achieve better than average returns, you need to invest differently. We believe that having a flexible approach to portfolio construction provides significant opportunity to add value. We believe that being aware of market cycles can significantly improve performance. And we believe that success requires patience, discipline and a strong focus on risk management.

If you share those beliefs, the Fund may be suitable for you.

Does it suit your portfolio?

The Fund is designed for use as up to a Core Component of an investment portfolio for those investors seeking Income and Capital Preservation with a one year or longer investment timeframe, a Low risk / return profile and needing access to capital Monthly or less often.

As with all investments, the Fund is subject to risks. If these risks eventuate, they may result in a reduction in the value of your investment in the Fund and / or a reduction or cessation of distributions. Distributions are not guaranteed, nor is the return of your capital.

Affluence aims, where possible, to actively manage risks. However, some risks are outside our control.

Why invest with Affluence?

We believe managing less money than average provides us with significant advantages. So we don't aim to be the biggest manager. But we do aim to be one of the best. We are proud of the quality of our products and our performance record.

Our interests are aligned with yours. A significant proportion of our own and extended families wealth is invested in Affluence funds. We charge no fixed fees. Instead, we charge a performance fee based on the returns we deliver for investors[4].

This focuses us on generating strong returns while managing risk and limiting losses. If you do well, we will do well.

Invest Now

Investment Team

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The Affluence Income Trust is available to all Australian and New Zealand resident investors. If you have any questions about Affluence, the Fund or our investment team, please get in touch.

Click here for more information

1. This information has been prepared by Affluence Funds Management Limited ABN 68 604 406 297 AFS licence no. 475940 (Affluence) as general information only in relation to the Affluence Income Trust ARSN 673 932 271 (Fund). It does not purport to be complete, and it does not take into account your investment objectives, financial situation or needs. Prospective investors should consider those matters and read the Product Disclosure Statement (PDS) and the Target Market Determination (TMD) for the Fund before making an investment decision. The PDS is available at https://affluencefunds.com.au/ait/ and contains important notices and disclaimers, important information about the offer, as well as investment risks. There is no guarantee of any distribution, forecast, investment return or repayment of capital. This information and the information in the PDS is not a recommendation by Affluence or any of its officers, employees, agents or advisers. Potential investors are encouraged to obtain independent expert advice before any investment decision.
2. Performance data for the Fund is expressed net of fees and costs (excluding the buy-sell spread). Performance calculations assume the reinvestment of distributions. Returns for periods of more than 1 year are annualised. Past performance is not indicative of future performance. The inception date of the Fund is 28 July 2023.
3. The Fund aims to pay a minimum distribution equal to the RBA Cash Rate plus 3% per annum, paid monthly.Distributions are not guaranteed and may be paid above or below this amount.
4. Affluence do not charge any fixed fee for managing the Fund. Affluence charge a performance fee equal to 10% of positive returns. Fees are also payable to the managers of underlying investments and there are expenses associated with the Fund and its underlying investments. Fees and costs related to underlying investments are not paid by the Fund directly, but are reflected in the performance of those investments.